

Address: 1605 20 Ave Ct Greeley CO 80631

Data SummaryPurchase Data

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1	purchase price		\$340,000
2	allocation--		
3	land	20%	\$68,000
4	house	80%	\$272,000

Financing Data

7	down payment	25%	\$85,000	
8	closing costs	2.00%	\$5,100	
9	total initial investment		\$90,100	
11	loan amount		\$255,000	
12	loan terms			
13	term	30	years	
14	interest rate	7.125%		
15	monthly PI		\$1,717.98	
16	total monthly payment		\$1,717.98	
18	annual interest		\$17,455	(averaged over holding period)

Operating Data

21	rental increase per year		5.00%	
22	monthly rent		\$2,200	
23	average monthly rent		\$2,559	(averaged over holding period)
24	annual rent		\$26,400.00	(gross scheduled income)
25	average annual rent		\$30,707.00	(gross scheduled income averaged over holding period)
26	vacancy allowance	4.0%	\$1,228	

Annual operating expenses

29	Tax Increase per year			4%
30	current property taxes		\$1,560	
31	average property taxes		\$1,760	
32	Insurance Increase per year			4%
33	current insurance estimate		\$1,955	
34	average insurance		\$2,206	
36	utilities	\$ -	\$0	
37	maintenance	7%	\$2,149	(percent of gross scheduled income)
38	management	0%	\$0	(percent of gross operating income)
39	HOA	\$ -	\$0	
40	other	\$0.00	\$0	

FYI Total Monthly payment and HOA

\$ 2,010.90

44	total operating expenses		\$6,116	
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Investment data

47	investor tax bracket	28%		
48	holding period	7	years	
49	annual appreciation	4%		
50	cost of sale	6%		
52	reinvestment rate	1%		(before taxes)

Cash Flow

gross scheduled income	\$30,707		
less vacancy allowance	\$1,228		
gross operating income	\$29,479		
less operating expenses	\$6,116		
net operating income	\$23,363		
less annual payments	\$20,616		
cash flow before taxes	\$ 2,747.37	per year	\$228.95 per month averaged over hold
cost recovery (depreciation)	27.5	years	
annual recovery	\$9,891		
principal reduction	\$3,161	(NOT deductible)	
taxable income or (loss)	(\$3,983)	(cash flow before taxes less cost recovery)	
tax savings	\$1,115	(taxable loss times marginal tax bracket)	
cash flow after taxes	\$3,863	(cash flow before taxes plus tax savings)	

After Sale Proceeds

projected sales price	\$447,417	(from annual appreciation and holding period)
sale cost	\$26,845	(projected price times estimated cost of sale)
net sales price	\$420,572	
adjusted basis	\$275,864	(initial price plus closing costs less total annual cost recovery)
taxable gain on sale	\$144,708	

capital gains tax			
cost recovery	25%	\$17,309	(tax on gain from cost recovery)
non-cost recovery	15%	\$11,321	(tax on remainder of gain)
total tax due from sale		\$28,630	

after tax proceeds		
net sales price	\$420,572	
mortgage balance	\$232,874	
taxes due	\$28,630	
net after tax proceeds	\$159,068	

Investment Performance Summary

cash flow after taxes	\$3,863	
net accumulation	0.72%	(after tax reinvestment rate)
amount accumulated	\$27,629	
wealth position	\$186,697	(net after tax proceeds plus accumulated cash flow)
yield factor	2.07	(ending wealth position divided by initial investment)

after tax annual yield**10.97%**